

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 490 - HB 820

March 2, 2019

SUMMARY OF BILL: Expands a presumption, as it relates to the Competitive Cable and Video Services Act, that certain qualifications have been met for issuance of a state-issued certificate of franchise authority (CFA) to include certain applicants.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Tennessee Code Annotated § 7-59-304 and § 7-59-305 state, prior to providing cable or video service, a provider must apply for a CFA and illustrate they have the managerial, financial, and technical qualifications needed to provide cable and video service. Large telecommunications providers, qualified cable operators, and incumbent cable service providers are presumed to have already met these qualifications when applying for a CFA.
- The proposed language would expand this presumption to include any applicant who has provided fiber-to-premises (FTTP) to at least 1,000 customers for at least one year prior to applying for a CFA.
- The proposed language would prohibit any such provider receiving a CFA through the provisions of this legislation from overbuilding existing FTTP infrastructure to provide cable and video service.
- According to the Tennessee Public Utility Commission (TPUC), a CFA has never been denied to an applicant due to these specific qualifications; therefore, any fiscal impact to state or local government is estimated to be not significant.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- Expanding the presumption that certain qualifications have been met will not result in a greater number of CFAs being issued; therefore, the proposed language will not result in any significant impact to jobs or commerce in Tennessee.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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